



# Minnesota Inter-County Association

(651)222-8737 | [www.mica.org](http://www.mica.org)

Sent Via Email

May 3, 2021

Senator Eric Pratt  
Senator Jason Rarick  
Senator Karin Housley  
Senator Rich Draheim  
Senator Kent Eken

Representative Mohamud Noor  
Representative Rob Ecklund  
Representative Liz Olson  
Representative Kaela Berg  
Representative Rod Hamilton

Chair Pratt, Chair Noor, and SF 1098 Conferees:

On behalf of the Minnesota Inter-County Association (MICA) and its 15 member counties, including four suburban and 11 Greater Minnesota counties, we offer the following comments regarding SF1098/UES1098-1 (HF1392).

## **COVID-19 Business Relief**

County governments have played a critical role in keeping Minnesotans safe and economically supported throughout the COVID-19 pandemic. Overall, counties have distributed at least \$300 million of federal CARES Act, state, and local funds, to small businesses and non-profits impacted by the pandemic. Various House and Senate provisions would provide additional relief, such as:

- Senate Article 3, section 12 – \$100 million for small business relief loan guarantees.
- Senate Article 1, Section 6 — \$20.5 million for the Revenue Department to distribute grants to businesses that did not business relief grants under Chapter 2, 7<sup>th</sup> SS of 2020.
- House Article 2, section 4 — \$50 million for a small business COVID-19 grant program, as well as HF991 (House Omnibus Tax Bill), Article 8, section 5, appropriating nearly \$88 million to counties to make relief grants to businesses and non-profits impacted by EO 20-99.

We support additional state funding to support economic recovery for small businesses, non-profits, individuals, and communities. If the final budget solution calls for any portion of such relief to be administered by counties, we ask that such funds allow counties reasonable flexibility to determine eligibility, sufficient time to distribute the funds, and require information to be shared with counties for any parallel efforts administered by state agencies.

Additionally, beyond SF1098, we strongly encourage increased state investment in the Broadband Grant Program. The COVID pandemic has clearly highlighted the critical importance of high-speed internet access for equity, students and educational systems, farmers, families, and business sustainability and resilience.



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## Workforce and Labor Provisions

MICA member counties value transparent, competitive compensation practices that are equitable, promote healthy and productive workplaces, and support employee recruitment and retention. As public employers, we also work to balance the need for moderate property tax burdens.

- MICA supports the Senate language of Article 2, section 3, allowing more flexible notification requirements under Minn. Stats. 181.032, and particularly allowing notification to be met through collective bargaining agreements, employee handbooks, offer letters, or a combination of those documents.
- Typically, counties already provide the minimum level of Earned Sick and Safe Time (ESST), such as proposed by House Articles 9 and 10, with the understanding that the requirement be inclusive of, and not in addition to, existing paid time off benefits. We respectfully note, however, that the threshold for minimum hours worked to qualify for ESST (80 hours per year) could additionally apply to more seasonal, temporary, and internship positions, which could in turn lead to fewer such positions depending on grant and program resources available.

We respectfully urge modifications be made to House Article 4 and 5, establishing a Paid Family and Medical Leave mandate for all employers, including changes to:

- Moderate the up to 24 week per year paid leave benefit level. The cost to immediately provide that benefit level, including potential costs to hire replacement workers, could make it difficult to maintain essential service levels without increasing property tax burdens, and in the absence of flexibility to deny or moderate a leave requests for genuine hardships.
- Recognize and account for the paid leave benefits that county employers already provide.
- Allow employers to require employees use at least a portion of an employee's accrued paid leave so that existing paid leave is used as intended to support employee wellness and workplace effectiveness. Under the current language, an employee who returns to work from leave could subsequently take additional paid leave, making it very difficult for employers to plan and manage workplace cohesion and effectiveness.
- Ensure consistency across employers, employee bargaining units, and subsets of employees by specifying whether premiums are paid by employers and employees (*current language specifies employers 'may' require premiums be shared by the employer and employees*), or alternatively allow the 'opt-out' provisions to apply to subgroups of employees.

Thank you for the opportunity to provide input on this important legislation.

**Matt Massman**, Executive Director  
Minnesota Inter-County Association